



## Senate

General Assembly

**File No. 237**

January Session, 2009

Substitute Senate Bill No. 240

*Senate, March 26, 2009*

The Committee on Housing reported through SEN. GOMES of the 23rd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

### ***AN ACT CONCERNING HOUSING ASSISTANCE FOR VETERANS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1       Section 1. (NEW) (*Effective July 1, 2009*) (a) As used in this section:
  - 2           (1) "Homeless or at risk of homelessness" means (A) living on the  
3 streets or in shelters, (B) coming out of homeless programs or  
4 transitional housing and having no permanent housing, (C) living in  
5 unsafe or abusive environments, (D) paying more than fifty per cent of  
6 income for rent, (E) living in overcrowded conditions, or (F) being in  
7 need of supportive services in order to maintain permanent housing;
  - 8           (2) "Commissioner" means the Commissioner of Economic and  
9 Community Development; and
  - 10          (3) "Veteran" shall have the same meaning as in section 27-103 of the  
11 general statutes.
- 12       (b) Within available appropriations, the Commissioner of Economic

13 and Community Development shall establish and administer a  
 14 program to reduce the number of veterans who are homeless or at risk  
 15 of homelessness by five per cent each year, beginning with the fiscal  
 16 year commencing July 1, 2010, until the fiscal year commencing July 1,  
 17 2020. Such program shall be designed (1) to provide veterans with  
 18 emergency shelter services and transitional housing services; and (2) to  
 19 enable veterans to obtain and keep permanent housing and increase  
 20 their job skills and income. Spouses and widows of veterans shall be  
 21 eligible for the program established under this section. In developing  
 22 such program, the commissioner shall consult with the Departments of  
 23 Social Services and Veterans' Affairs.

24 (c) The commissioner shall adopt regulations in accordance with the  
 25 provisions of chapter 54 of the general statutes to implement the  
 26 program established under this section.

27 (d) On or before October 1, 2010, and annually thereafter, the  
 28 commissioner shall submit a report to the Joint Standing Committee on  
 29 Housing that describes the progress in implementing the program  
 30 established under this section. Each such report shall be submitted in  
 31 accordance with section 11-4a of the general statutes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2009	New section

**Statement of Legislative Commissioners:**

In subsection (d), "joint standing committee of the general assembly having cognizance of matters relating to housing" was changed to "Joint Standing Committee on Housing" for accuracy. In subsection (b) of section 1, "programs" was changed to "program" for accuracy.

**HSG**      *Joint Favorable Subst.-LCO*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

### **OFA Fiscal Note**

#### **State Impact:**

Agency Affected	Fund-Effect	FY 10 \$	FY 11 \$
Department of Economic & Community Development	GF - Cost	64,511	64,511
Comptroller Misc. Accounts (Fringe Benefits) <sup>1</sup>	GF - Cost	16,405	16,405

Note: GF=General Fund

#### **Municipal Impact:** None

#### **Explanation**

The bill will result in a cost to the Department of Economic and Community Development (DECD) to establish and administer a program to reduce the number of veterans who are homeless or at risk of becoming homeless by five percent each year through July 1, 2020. DECD would require an additional Economic and Community Development Agent to administer the program at an annual cost of approximately \$80,916 (\$64,511 salary, \$16,405 fringe benefits). The program must be designed to provide veterans with emergency shelter services and transitional housing services, and enable veterans to obtain and keep permanent housing and increase their job skills and income.<sup>2</sup> The program is also open to spouses and widows of

<sup>1</sup> The fringe benefit costs for state employees are budgeted centrally in the Miscellaneous Accounts administered by the Comptroller on an actual cost basis. The following is provided for estimated costs associated with additional personnel. The estimated non-pension fringe benefit rate as a percentage of payroll is 25.43%. Fringe benefit costs for new positions do not initially include pension costs as the state's pension contribution is based upon the 6/30/08 actuarial valuation for the State Employees Retirement System (SERS) which certifies the contribution for FY 10 and FY 11. Therefore, new positions will not impact the state's pension contribution until FY 12 after the next scheduled certification on 6/30/2010.

<sup>2</sup> The Department of Economic and Community Development, the Department of Veterans' Affairs, the Department of Labor, and the Connecticut Housing Finance Authority currently offer programs addressing these needs.

veterans.

The bill specifies that DECD implement the provisions of the bill within available appropriations. With passage of the bill, the agency would either (1) re-allocate existing funding for this purpose from another program; (2) incur additional costs; or (3) delay or not implement this program due to lack of funding.

### ***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

*Sources: United State Department of Veterans' Affairs, Connecticut State Department of Veterans' Affairs, Department of Economic and Community Development, Department of Labor, Connecticut Housing Finance Authority*

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**OLR Bill Analysis****SB 240*****AN ACT CONCERNING HOUSING ASSISTANCE FOR VETERANS.*****SUMMARY:**

This bill requires the Department of Economic and Community Development (DECD) commissioner, within available appropriations, to establish and administer a program to reduce the number of homeless veterans or those at risk of homelessness by 5% each year, from FY 2010 to FY 2020. Veterans' spouses and widows are eligible for the program.

DECD must design the program to (1) provide veterans with emergency shelter and transitional housing services and (2) enable veterans to obtain and keep permanent housing and increase their job skills and income. The DECD commissioner must consult with the Social Services and Veterans' Affairs departments on program development and adopt regulations to implement it.

By October 1, 2010 and annually thereafter, the commissioner must submit an implementation progress report to the Housing Committee. Because the program ends in 2020, presumably the reports would also end in that year.

EFFECTIVE DATE: July 1, 2009

**VETERANS AND HOMELESSNESS**

The bill specifies that:

1. "veteran" means any person honorably discharged or released under honorable conditions from active service in the armed forces and

2. “homeless or at risk of homelessness” means (a) living on the streets or in shelters, (b) coming out of homeless programs or transitional housing and having no permanent housing, (c) living in unsafe or abusive environments, (d) paying more than 50% of income for rent, (e) living in overcrowded conditions, or (f) needing supportive services in order to maintain permanent housing.

## **BACKGROUND**

### ***State Programs to Assist Veterans with Housing Needs***

By law, an entity operating any DECD-funded low- or moderate-income rental housing project must give preference to veterans competing with other applicants when housing needs are substantially equal. DECD’s Housing for the Homeless program provides financial assistance to help develop housing for very low-income people, for which certain veterans would be eligible. Additionally, the Connecticut Housing Finance Authority provides low-interest 30-year mortgage loans to veterans under its Military Homeownership Program.

## **COMMITTEE ACTION**

Housing Committee

Joint Favorable

Yea    10    Nay   0    (03/10/2009)